



ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

Los Angeles County
Board of Supervisors

October 30, 2012

26 October 30, 2012

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SACHI A. HAMAI
EXECUTIVE OFFICER

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The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF CONTROLLED SUBSTANCES SUPPLY FOR PARAMEDIC
PROVIDER AGENCIES AGREEMENT
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

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SUBJECT

Approval of a new Agreement with various public paramedic provider agencies for the procurement of Controlled Substances from County-operated pharmacies.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and instruct the Director of Health Services (Director), or his designee, to execute Controlled Substances Supply for Paramedic Provider Agencies Agreements with the 11 public agencies, as listed on Attachment A, effective upon Board approval through June 30, 2017, with two 1-year renewal options through June 30, 2019, with provisions to collect fees associated with the cost of preparing, dispensing, and monitoring the drug program.
2. Delegate authority to the Director, or his designee, to amend these Agreements to make non-substantive changes to the payment rate, or scope of work included under this Agreement subject to review by County Counsel, with notification to the Board and Chief Executive Office (CEO).
3. Delegate authority to the Director, or his designee, to exercise two additional one-year extension options through June 30, 2019, upon review by

To ensure access to high-quality,
patient-centered, cost-effective health
care to Los Angeles County residents
through direct services at DHS facilities
and through collaboration with
community and university partners.



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County Counsel, with notification to the Board and the CEO.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommendation will allow the Director to execute Controlled Substances Supply for Paramedic Provider Agencies Agreements, (Exhibit I); to allow the Emergency Medical Services (EMS) Agency Medical Director to provide authorization to paramedic provider agencies for the procurement of approved Controlled Substances from Department of Health Services (DHS) pharmacies and to recoup the actual cost of the drug and resources necessary to prepare, dispense, and monitor the drug program. The Auditor-Controller's office has reviewed and approved the proposed fee listed in Attachment B. These recommended Agreements include provisions for the reimbursement of drug and staff costs to the County.

Pursuant to the authority granted under the California Business and Professions Code, Chapter 9, Section 4119, County-operated pharmacies may furnish a dangerous drug or a dangerous device to paramedic provider agencies for storage in a secured emergency pharmaceutical supplies container, in accordance with the policies and procedures of the local emergency medical services agency. Paramedic provider agencies are permitted to transport, store, and administer morphine sulfate and midazolam (Controlled Substances) only when authorized to do so by a physician. The EMS Agency Medical Director may authorize the procurement of Controlled Substances upon the request of a paramedic provider agency.

Since the mid 1990's, the EMS Agency has absorbed the cost of Controlled Substances obtained from County-operated pharmacies by paramedic provider agencies. These agreements will ensure that DHS is fully reimbursed by paramedic provider agencies for the associated cost of the Controlled Substances. The fee per dose will include the cost of drugs and administrative and pharmacy staff time required to prepare, dispense, and monitor the drug program.

Approval of the third recommendation will allow the Director to make non-substantive changes to the payment rate, and scope of work of the Agreement, subject to review and approval by County Counsel with notification to the Board and the CEO.

Approval of the fourth recommendation will allow the Director to extend the Agreement by exercising renewal options subject to review and approval by County Counsel with notification to the Board and the CEO.

Implementation of Strategic Plan Goals

The recommended actions support Goal 2, Fiscal Sustainability, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

There is no net County cost. It is estimated that DHS will recover \$72,360 annually to cover the cost of administrative and pharmacy staff time. The billing and collection will be managed centrally by DHS Fiscal Services and the funds will be allocated to the appropriate departmental budget. Funding is included in DHS' Fiscal Year (FY) 2012-13 budget and will be included in future FY's budgets.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The paramedic provider agencies wishing to contract with the County for the procurement of

The Honorable Board of Supervisors

10/30/2012

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Controlled Substances are government entities with their own self-governing legal and policy obligations; therefore several of the agreement provisions have been eliminated (listed in Attachment C).

County Counsel has approved Exhibit I as to use and form.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will ensure that all paramedic provider agencies procuring Controlled Substances from County-operated pharmacies are authorized to do so by the EMS Agency Medical Director. Paramedic provider agencies will be responsible for the cost of the Controlled Substances and County-operated pharmacy staff time.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitchell Katz". The signature is stylized and cursive.

Mitchell H. Katz, M.D.

Director

MHK:cc

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

PARAMEDIC PROVIDER AGENCIES

Beverly Hills Fire Department

El Segundo Fire Department

Hermosa Beach Fire Department

La Habra Heights Fire Department

Los Angeles City Fire Department

Los Angeles County Fire Department

Los Angeles County Sheriff's

Montebello Fire Department

Manhattan Beach Fire Department

Sierra Madre Fire Department

West Covina Fire Department

ESTIMATED COST PER DOSAGE
FOR CONTROLLED SUBSTANCES SUPPLY FOR PARAMEDIC PROVIDERS

Pharmacist Salaries & EB ^(a)	\$ 6.60
50 hours per month @ \$62/hr plus EB	
Administrative Cost ^(b)	2.00
EMS Agency ^(c)	<u>0.40</u>
Total cost per dose ^(d)	<u><u>\$ 9.00</u></u>

- (a) To cover a pharmacist's time to process the drug request, review wastage documentation, maintain appropriate documentation, handle recall medications, report and communicate with State Board of Pharmacy, and compliance with DEA requirement for dispensing of controlled substances
- (b) To cover DHS's billing and collection activities, and administrative functions.
- (c) To cover the EMS's Agency fees for random testing and the cost to resupply the squads for medication taken for testing.
- (d) Based on an estimated 670 doses per month

**Controlled Substances Supply for
Paramedic Provider Agencies
Services Agreements
Negotiated Terms and Conditions**

Attachment C

§8.8 COMPLIANCE WITH COUNTY'S JURY SERVICE PROGRAM

As a subdivision of the State of California, The various City Paramedic Provider Agencies are not required to participate in the Los Angeles County Jury Service Program

**§8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR
LAYOFF OR RE-EMPLOYMENT LIST**

As a subdivision of the State of California, the City Paramedic Provider Agencies' Collective Bargaining Agreement prevents them from accepting this provision. The County determined that the value of this contract outweighs the needs of the county to help displaced employees.

§8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

As a subdivision of the State of California, the City Paramedic Provider Agencies' Collective Bargaining Agreement prevents them from accepting this provision. The County determined that the value of this contract outweighs the needs of the county to help GAIN/GROW participants.

**§8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO
THE SAFELY SURRENDERED BABY LAW**

As a subdivision of the State of California, The various City Paramedic Provider Agencies are not required to comply with the County's Safely Surrendered Baby Law.

**§8.14 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD
SUPPORT COMPLIANCE PROGRAM**

As a subdivision of the State of California, The various City Paramedic Provider Agencies are not required to participate in the Los Angeles County Child Support Compliance Program

§8.42 TERMINATION FOR CONVENIENCE

This provision has not been deleted but has been changed from 10 days' advance notice to 30 days advance notice of agreement termination

§8.44 TERMINATION FOR IMPROPER CONSIDERATION

As a subdivision of the State of California, The various City Paramedic Provider Agencies are not required to accept this provision.



AGREEMENT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

FOR

CONTROLLED SUBSTANCES SUPPLY
FOR PARAMEDIC PROVIDER AGENCIES

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**AGREEMENT BETWEEN
COUNTY OF LOS ANGELES
AND**

**FOR
CONTROLLED SUBSTANCES SUPPLY FOR PARAMEDIC
PROVIDER AGENCIES**

This Agreement and Exhibits made and entered into this ____ day of _____, 201_ by and between the County of Los Angeles, hereinafter referred to as County and _____, hereinafter referred to as Contractor.

RECITALS

WHEREAS, pursuant to the authority granted under the Emergency Medical Services and Prehospital Emergency Medical Care Personnel Act (California Health and Safety Code Division 2.5, Sections 1797, et seq.), (hereafter "Act") County has established and maintains an Advanced Life Support (hereafter "ALS") system providing services utilizing Emergency Medical Technicians-Paramedics (hereafter "EMT-P"), or "paramedics") for the delivery of emergency medical care to the sick and injured at the scene of an emergency, during transport to a general acute care hospital, during interfacility transfer, while in the emergency department of a general hospital, until care responsibility is assumed by the regular staff of that hospital, and during training within the facilities of a participating general acute care hospital; and

WHEREAS, pursuant to the Act, County has designated its Department of Health Services as the local Emergency Medical Services Agency (hereafter "EMS Agency"), and

WHEREAS, the EMS Agency approves paramedic provider agencies, to render through licensed and accredited EMT-P personnel ALS-level patient care in accordance with policies and procedures established by the EMS Agency and the State EMS Authority; and

WHEREAS, under Title 22, California Code of Regulations, Section 100145(c), the Medical Director of the local EMS Agency Medical Director may approve policies and procedures allowing an EMT-P to administer medications identified in that Section, provided they are incorporated into the written policies and procedures of the EMS Agency; and

WHEREAS, the EMS Agency Medical Director has developed and approved the EMT-P Scope of Practice for Los Angeles County, which includes the administration of approved controlled drugs and use of medical devices; and

WHEREAS, under the California Business and Professions Code, Chapter 9, Section 4119, a pharmacy may furnish a dangerous drug or a dangerous device to an approved service provider within an emergency medical services system for storage in a secured emergency pharmaceutical supplies container, in accordance with the policies and procedures of the local emergency medical services agency; and

WHEREAS, the California Business and Professions Code, Section 4380, restricts the resale of drugs acquired at preferentially low prices to the person's own use or when sold to a purchaser also eligible for those prices;

WHEREAS, approved Controlled Substances cannot be obtained by a paramedic provider agency without the authorization of a physician; and

WHEREAS, the EMS Agency Medical Director may accept responsibility for authorizing the procurement of approved Controlled Substances upon the request of a paramedic provider agency provided that the provider agency adheres to policies and procedures established by the EMS Agency and this Agreement is maintained in full force; and

WHEREAS, Contractor is approved by the County of Los Angeles as an ALS provider of prehospital emergency medical services and is staffed with licensed and accredited EMT-Ps; and

WHEREAS, Contractor desires the EMS Agency Medical Director to provide authorization for Contractor's procurement of approved Controlled Substances; and

WHEREAS, Contractor has a quality assurance program that specifically addresses the procurement, transport, storage, administration, and monitoring of approved Controlled Substances which has been approved by the EMS Agency; and

WHEREAS, Contractor and the EMS Agency Medical Director agree to cooperate to ensure appropriate handling and monitoring of approved Controlled Substances; and

WHEREAS, the parties wish to cooperate with each other to efficiently and appropriately meet the needs of Los Angeles County EMS patients; and

WHEREAS, this Agreement is not intended, and shall not be deemed, a written agreement between City and County (or the local EMS Agency) for the purpose of California Health and Safety Code Section 1797.201 and City does not waive

its "grandfather" status, if applicable, under California Health and Safety Code Section 1797.201; and

WHEREAS, this Agreement is authorized by California Health and Safety Code Section 1797.252; Title 22, California Code of Regulations Sections 100144 and 100170; and California Government Code Section 26227; and

WHEREAS, County-Operated Pharmacies are licensed to provide approved Controlled Substances and operate under the regulations of the State of California Department of Consumer Affairs Board of Pharmacy.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, B1, C, C1, D, E, F, G1, H, I, J and K are attached to and form a part of this Agreement. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Agreement and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Agreement and then to the Exhibits according to the following priority.

Exhibits:

- 1.1 EXHIBIT A - Statement of Work
- 1.2 EXHIBIT B - Prehospital Care Manual (Reference No. 702)
- 1.3 EXHIBIT B1- Prehospital Care Manual (Reference No. 502)
- 1.4 EXHIBIT C - Controlled Substances Inventory
- 1.5 EXHIBIT C1- Controlled Substances Fee Schedule
- 1.6 EXHIBIT D - Contractor's EEO Certification (Intentionally Omitted)
- 1.7 EXHIBIT E - County's Administration
- 1.8 EXHIBIT F - Contractor's Administration
- 1.9 EXHIBIT G1- Contractor Acknowledgement and Confidentiality Agreement
- 1.10 EXHIBIT H - Jury Service Ordinance (Intentionally Omitted)
- 1.11 EXHIBIT I - Safely Surrendered Baby Law

1.12 EXHIBIT J - Novation Affiliate Purchasing Program Agreement

Health Insurance Portability AND Accountability Act (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH) Agreement

1.13 EXHIBIT K - Contractor's Obligations as a "Business Associate" Under the Health Insurance Portability AND Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH)

2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 **Agreement:** Agreement executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A.
- 2.2 **Contractor:** The duly incorporated City or other public entity that has entered into an agreement with the County to perform or execute the work covered by the Statement of Work.
- 2.3 **Contractor Project Manager:** The individual designated by the Contractor to administer the Agreement operations after the Agreement award.
- 2.4 **Director:** County's Director of Health Services, or his duly authorized designee.
- 2.5 **County Agreement Project Monitor:** Person with responsibility to oversee the day to day activities of this Agreement. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the Contractor.
- 2.6 **County Project Director:** Person designated by County with authority for County on contractual or administrative matters relating to this Agreement that cannot be resolved by the County's Project Manager.
- 2.7 **County Project Manager:** Person designated by County's Project Director to manage the operations under this Agreement.
- 2.8 **Day(s):** Calendar day(s) unless otherwise specified.

- 2.9 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

3.0 WORK

Pursuant to the provisions of this Agreement, the Contractor shall procure, transport, store, distribute, administer, and monitor approved Controlled Substances utilized by Contractor and other work identified in Exhibit B, the EMS Agency's "PREHOSPITAL CARE MANUAL REFERENCE NO. 702, CONTROLLED DRUGS CARRIED ON ALS UNITS", as set forth in Exhibit A, Statement of Work, for the purpose of continuing the delivery of ALS care in the field.

4.0 TERM OF AGREEMENT

The term of this Agreement shall commence effective upon approval by the County's Board of Supervisors, and shall continue in full force and effect to and including June 30, 2017, unless sooner cancelled or terminated as provided herein. Said Agreement may thereafter be extended annually, at the sole discretion of the Director of the Department of Health Services (DHS), or his designee (hereafter Director), for two (2) additional 1-year terms, through June 30, 2019, by providing 60 calendar days written notice to the Contractor, in the form of an Amendment to this Agreement, prior to the end of the current term.

5.0 AGREEMENT SUM

- 5.1 During the term of this Agreement, Contractor's payment to County hereunder shall be for the issuance of approved Controlled Substances and other applicable fees as set forth in Exhibit C-1, Controlled Substances Fee Schedule, attached hereto and incorporated herein by reference.

5.2 Invoices and Payments

- 5.2.1 Contractor shall reimburse Health Services Finance (hereafter "HS Finance") for all fees billed for approved Controlled Substances specified in Exhibit C, Controlled Substances Inventory. HS Finance shall prepare invoices, which will include the charges owed to the County by the Contractor under the terms of this Agreement.
- 5.2.2 HS Finance's quarterly invoices shall be priced in accordance with Exhibit C-1, Controlled Substances Fee Schedule. These rates will be adjusted annually each July, 1 or based on changes of more than 100% in unit cost, random testing, or administrative expenses of supplying Contractors with approved Controlled Substances.

- 5.2.3 HS Finance's quarterly invoices to Contractor will clearly reflect items issued and provide reasonable details of approved Controlled Substances.
- 5.2.4 HS Finance's quarterly invoices to Contractor will include, if applicable, any fines assessed against the County-operated hospital pharmacy by the California State Board of Pharmacy that are a direct result of noncompliance with State Law or a direct result of actions or omissions by the Contractor.
- 5.2.5 HS Finance's quarterly invoices to Contractor will include, if applicable, the cost of Controlled Substance testing if tampering or diversion by Contractor is suspected and confirmed after an investigation is conducted. Contractor will not be charged if tampering or diversion is not confirmed.
- 5.2.6 Contractor shall reimburse HS Finance within thirty (30) days of receipt of a complete and correct invoice. Reimbursement shall be sent to:
- DHS-Health Services Finance
Fiscal Services
313 North Figueroa Street, Room 505
Los Angeles, CA 90012
- 5.2.7 HS Finance's quarterly invoices to Contractor will include, if applicable, a one-time restocking fee, as specified in Exhibit C-1, Controlled Substances Fee Schedule, for each lot of recalled approved Controlled Substances returned to the County-operated hospital pharmacy for resupply.
- 5.2.8 HS Finance's quarterly invoices to Contractor will include, if applicable, an ingredient cost, as specified in Exhibit C-1, Controlled Substances Fee Schedule, for each dose of expired approved Controlled Substances returned to the County-operated hospital pharmacy for resupply.

6.0 ADMINISTRATION OF AGREEMENT - COUNTY

COUNTY ADMINISTRATION

A listing of all County Administration referenced in the following sub-paragraphs are designated in Exhibit E, County's Administration. The County shall notify the Contractor in writing of any change in the names or addresses shown.

6.1 County's Project Director

Responsibilities of the County's Project Director include:

- ensuring that the objectives of this Agreement are met; and
- providing direction to the Contractor in the areas relating to County policy, information requirements, and procedural requirements.

6.2 County's Project Manager

The responsibilities of the County's Project Manager include:

- meeting with the Contractor's Project Manager on an as-needed basis; and
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

The County's Project Manager is not authorized to make any changes in any of the terms and conditions of this Agreement and is not authorized to further obligate County in any respect whatsoever.

6.3 County's Agreement Project Monitor

The County's Project Monitor is responsible for overseeing the day-to-day administration of this Agreement. The Project Monitor reports to the County's Project Manager.

7.0 ADMINISTRATION OF AGREEMENT - CONTRACTOR

7.1 Contractor's Project Manager

7.1.1 The Contractor's Project Manager is designated in Exhibit F, Contractor's Administration. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.1.2 The Contractor's Project Manager shall be responsible for the Contractor's day-to-day activities as related to this Agreement and shall coordinate with County's Project Manager and County's Agreement Project Monitor on a regular basis.

7.2 Confidentiality

- 7.2.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.
- 7.2.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.2, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.2 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.
- 7.2.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Agreement.
- 7.2.4 Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Agreement", Exhibit G-1.

8.0 STANDARD TERMS AND CONDITIONS

8.1 AMENDMENTS

- 8.1.1 For any change which affects the scope of work, term, any term or condition, or payment rates included under this Agreement, an Amendment shall be prepared and executed by the Contractor and by Director or his designee.
- 8.1.2 The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Agreement during the term of this Agreement. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Agreement shall be prepared and executed by the Contractor and by Director or his designee.

8.2 ASSIGNMENT AND DELEGATION

- 8.2.1 The Contractor shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this sub-paragraph, County consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Agreement shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.
- 8.2.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.
- 8.2.3 Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever

without County's express prior written approval, shall be a material breach of the Agreement which may result in the termination of this Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

8.3 AUTHORIZATION WARRANTY

The Contractor represents and warrants that the person executing this Agreement for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Agreement and that all requirements of the Contractor have been fulfilled to provide such actual authority.

8.4 BUDGET REDUCTIONS

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County Agreements, the County reserves the right to reduce its payment obligation under this Agreement correspondingly for that fiscal year and any subsequent fiscal year during the term of this Agreement (including any extensions), and the services to be provided by the Contractor under this Agreement shall also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the Contractor shall continue to provide all of the services set forth in this Agreement.

8.5 COMPLAINTS

Intentionally Omitted

8.6 COMPLIANCE WITH APPLICABLE LAW

8.6.1 In the performance of this Agreement, Contractor and County shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference.

8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities,

losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 8.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS

ANTI-DISCRIMINATION AND AFFIRMATIVE ACTION LAWS

- 8.7.1 The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17); the Fair Employment & Housing Act, Government Code Section 12920-12922; and Affirmative Action in County Agreements, Chapter 4.32 of the Los Angeles County Code to the end that no person shall, on the grounds of race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.
- 8.7.2 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or

mental disability, medical condition, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

- 8.7.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.7.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation.
- 8.7.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.
- 8.7.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this sub-paragraph 8.8 when so requested by the County.
- 8.7.7 If the County finds that any provisions of this sub-paragraph 8.8 have been violated, such violation shall constitute a material breach of this Agreement upon which the County may terminate or suspend this Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding

by the County that the Contractor has violated the anti-discrimination provisions of this Agreement.

8.7.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Agreement, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Agreement.

8.7.9 **Anti-discrimination in Services**

Contractor shall not discriminate in the provision of services hereunder because of race, color, religious creed, national origin, ethnic group identification, ancestry, age, sex, sexual orientation, medical condition, marital status, political affiliation, or physical or mental disability in accordance with requirements of Federal and State laws. For the purpose of this sub-paragraph, discrimination in the provision of services may include, but is not limited to, the following: Denying any person any service or benefit or the availability of a facility; providing any service or benefit to a person which is not equivalent or is provided in a non-equivalent manner or at a non-equivalent time, from that provided to others; subjecting any person to segregation or separate treatment in any manner related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit. Contractor shall take affirmative action to ensure that intended beneficiaries of this Agreement are provided services without regard to race, color, religious creed, national origin, ethnic group identification, ancestry, sex, sexual orientation, age, medical condition, marital status, political affiliation, physical or mental disability.

8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

8.8.1 Jury Service Program:

This Agreement is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit

H and incorporated by reference into and made a part of this Agreement.

8.8.2 Written Employee Jury Service Policy.

1. Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any subcontractor to perform services for the County under the Agreement, the subcontractor shall also be subject to the provisions of this sub-paragraph. The provisions of this sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the Agreement.
3. If the Contractor is not required to comply with the Jury Service Program when the contract commences, the Contractor shall have a continuing obligation to review

the applicability of its “exception status” from the Jury Service Program, and the Contractor shall immediately notify the County if the Contractor at any time either comes within the Jury Service Program’s definition of “Contractor” or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the contract and at its sole discretion, that the Contractor demonstrate, to the County’s satisfaction that the Contractor either continues to remain outside of the Jury Service Program’s definition of “Contractor” and/or that the Contractor continues to qualify for an exception to the Program.

4. Contractor’s violation of this sub-paragraph of the Agreement may constitute a material breach of the Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Agreement and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.9 CONFLICT OF INTEREST

Intentionally Omitted

8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST

Intentionally Omitted

8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

Intentionally Omitted

8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT

8.12.1 Responsible Contractor

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County’s policy to conduct business only with responsible Contractors.

8.12.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

8.12.3 Non-responsible Contractor

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

8.12.4 Contractor Hearing Board

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.
5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the

proposed decision and recommendation of the Contractor Hearing Board.

8.12.5 Subcontractors of Contractor

These terms shall also apply to subcontractors of County Contractors.

8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

Intentionally Omitted

8.14 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

8.14.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Agreement to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Agreement maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.15 COUNTY'S QUALITY ASSURANCE PLAN

The County or its agent will evaluate the Contractor's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Agreement terms and conditions and performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Agreement in jeopardy if not corrected will be reported to the Board of Supervisors.

The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not

occur consistent with the corrective action measures, the County may terminate this Agreement or impose other penalties as specified in this Agreement.

8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

Intentionally Omitted

8.17 EMPLOYMENT ELIGIBILITY VERIFICATION

Intentionally Omitted

8.18 FACSIMILE REPRESENTATIONS

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to sub-paragraph 8.1, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Agreement, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.19 FAIR LABOR STANDARDS

Intentionally Omitted

8.20 FORCE MAJEURE

Intentionally Omitted

8.21 GOVERNING LAW, JURISDICTION, AND VENUE

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.22 INDEPENDENT CONTRACTOR STATUS

8.22.1 This Agreement is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of

one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.22.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Agreement all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

8.22.3 The Contractor understands and agrees that all persons performing work pursuant to this Agreement are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Agreement.

8.22.4 The Contractor shall adhere to the provisions stated in subparagraph 7.2 - Confidentiality.

8.23 INDEMNIFICATION

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the Contractor's acts and/or omissions arising from and/or relating to this Contract.

8.24 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE

Without limiting Contractor's indemnification of County, and in the performance of this Agreement and until all of its obligations pursuant to this Agreement have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 8.24 and 8.25 of this Agreement. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Agreement. The County in no way warrants that the Required Insurance is sufficient to protect the

Contractor for liabilities which may arise from or relate to this Agreement.

8.24.1 Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Agreement.
- Renewal Certificates shall be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding Fifty Thousand Dollars (\$50,000.00), and list any County required endorsement forms.
- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles
Department of Health Services
Contracts and Grants Division

313 Figueroa Street, 6th Floor-East
Los Angeles, CA 90012

County of Los Angeles
Department of Health Services
Emergency Medical Services Agency
10100 Pioneer Boulevard, Suite 200
Santa Fe Springs, CA 90670
Attention: Administrative Services

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Agreement, and could result in the filing of a claim or lawsuit against Contractor and/or County.

8.24.2 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.24.3 Cancellation of Insurance

Except in the case of cancellation for non-payment of premium, Contractor's insurance policies shall provide, and Certificates shall specify, that County shall receive not less than thirty (30) days advance written notice by mail of any cancellation of the Required Insurance. Ten (10) days

prior notice may be given to County in event of cancellation for non-payment of premium.

8.24.4 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Agreement. County, at its sole discretion, may obtain damages from Contractor resulting from said breach.

8.24.5 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

8.24.6 Contractor's Insurance Shall Be Primary

Contractor's insurance policies, with respect to any claims related to this Agreement, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

8.24.7 Waivers of Subrogation

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Agreement. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.24.8 Sub-Contractor Insurance Coverage Requirements

Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy.

Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

8.24.9 Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.24.10 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Agreement. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Agreement expiration, termination or cancellation.

8.24.11 Application of Excess Liability Coverage

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

8.24.12 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

8.24.13 Alternative Risk Financing Programs

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

8.24.14 County Review and Approval of Insurance Requirements

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

8.24.15 Contractor Self-Insurance Requirements

The County will consider a Contractor's request to substitute a program of self—insurance as an alternative to commercial insurance upon review and approval of the following:

- A formal declaration to be self-insured for the type and amount of coverage required in the agreement. This can be in the form of a corporate resolution or a certified statement from a corporate officer or an authorized principal of the Contractor. The statement also must identify which required coverages are self-insured and which are commercially insured. Contractors who are self-insured for workers compensation must provide a copy of their "Certificate of Consent to Self-Insure" issued by the State. The Contractor must notify the County immediately of discontinuation or substantial change in the program.
- A statement that the County is a protected party under the Contractor's self-insurance program. This statement must confirm that the Contractor's program will respond on a primary basis to any County commercial insurance or self-insurance programs to ensure that the County will be provided at least the same protection from liability and defense of lawsuits as would be provided by first dollar commercial insurance.
- An agreement to notify the County immediately of any claim, judgment, settlement award, verdict or change in the Contractor's financial condition which would have a significant negative effect on the Contractor's self-insurance program.
- An agreement to notify the County immediately of any claim, judgment, settlement, award or verdict under the Contractor's self-insurance program involving the County service agreement.

- The name, title, address, and telephone number of the individual responsible for the administration of the Contractor's self-insurance program, as well as the name, address, and telephone number of the Contractor's claims administrator and legal counsel.
- A current audited financial statement to be evaluated by the County to determine if the Contractor has adequate financial resources to respond to claims falling within the self-insured retention or self-insured program. Re-submission of such a statement is required not less than annually or more frequently at the County Project Manager's request. Failure to comply will result in withdrawal of County approval.

The Contractor's proposed self-insurance program must be approved by the County prior to the effective date of the agreement.

8.25 INSURANCE COVERAGE

8.25.1 **Commercial General Liability** insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

8.25.2 **Automobile Liability** insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than One Million Dollars (\$1,000,000) for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Agreement, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.25.3 **Workers Compensation and Employers' Liability** insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than One Million Dollars (\$1,000,000) per accident. If Contractor will provide leased employees, or,

is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

8.26 LIQUIDATED DAMAGES

Intentionally Omitted

8.27 MOST FAVORED PUBLIC ENTITY

Intentionally Omitted

8.28 NON EXCLUSIVITY

Intentionally Omitted

8.29 NOTICE OF DELAYS

Intentionally Omitted

8.30 NOTICE OF DISPUTES AND DISPUTE RESOLUTION

8.30.1 The Contractor shall bring to the attention of the County's Project Manager and/or County's Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Agreement. If the County's Project Manager or County's Project Director is not able to resolve the dispute, the EMS Agency Medical Director, or designee shall resolve it.

8.30.2 The Contractor shall name specific individuals within the Contractor's agency, upon execution of this Agreement, who are authorized to assist the EMS Agency Medical Director with dispute resolution under this Agreement.

8.30.3 The Contractor shall respond to written requests of the EMS Agency Medical Director for information regarding any perceived dispute within thirty (30) calendar days,

unless otherwise mutually agreed, following receipt of such request.

8.30.4 Disputes perceived by the Contractor to have a system-wide impact should be referred directly to the EMS Agency.

8.30.5 As soon as reasonably possible, the Contractor shall report possible violations of the California Health and Safety Code Section 1798.200 by Contractor paramedics and EMT-Is directly to the EMS Agency Medical Director, as outlined in Reference No. 214, Base Hospital and Contractor Agency Reporting Responsibilities, of the EMS Agency's Prehospital Care Manual. The EMS Agency Medical Director is required to investigate any such allegations of violations.

8.31 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

Intentionally Omitted

8.32 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

Intentionally Omitted

8.33 NOTICES

All notices or demands required or permitted to be given or made under this Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits E, County's Administration and F, Contractor's Administration. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The Medical Director or his designee shall have the authority to issue all notices or demands required or permitted by the County under this Agreement.

8.34 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Intentionally Omitted

8.35 PUBLIC RECORDS ACT

Intentionally Omitted

8.36 PUBLICITY

Intentionally Omitted

8.37 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Agreement in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Agreement. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Agreement. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Agreement and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.37.1 In the event that an audit of the Contractor is conducted specifically regarding this Agreement by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Agreement. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.37.2 Failure on the part of the Contractor to comply with any of the provisions of this sub-paragraph 8.38 shall constitute a material breach of this Agreement upon which the County may terminate or suspend this Agreement.

8.37.3 If, at any time during the term of this Agreement or within five (5) years after the expiration or termination of this Agreement, representatives of the County conduct an audit

of the Contractor regarding the work performed under this Agreement, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Agreement or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Agreement exceed the funds appropriated by the County for the purpose of this Agreement.

8.38 RECYCLED BOND PAPER

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Agreement.

8.39 SUBCONTRACTING

Intentionally Omitted

8.40 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Intentionally Omitted

8.41 TERMINATION FOR CONVENIENCE

8.41.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

8.41.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall:

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.41.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with sub-paragraph 8.38, Record Retention AND Inspection/Audit Settlement.

8.42 TERMINATION FOR DEFAULT

8.42.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Agreement, if, in the judgment of County's Project Director:

- If Contractor attempts to obtain any Controlled Substances not listed on Exhibit C, Controlled Substances Inventory, or procures approved Controlled Substances in quantities not approved by Medical Director; or
- If Contractor fails to comply with provisions of this Agreement or the policies and procedures contained in Exhibit B, Prehospital Care Manual (Reference No. 702); or
- If Contractor fails to comply with any corrective actions required by the EMS Agency which are necessary to continue the procurement, transport, storage, distribution, administration, or monitoring of approved Controlled Substances; or
- Contractor has materially breached this Agreement; or
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Agreement; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Agreement, or of any obligations of this Agreement and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing)

after receipt of written notice from the County specifying such failure.

8.42.2 In the event that the County terminates this Agreement in whole or in part as provided in sub-paragraph 8.43.1, Contractor must have alternate means, approved by the EMS Agency, to purchase pharmaceuticals necessary to providing advanced life support services for its jurisdictional area.

8.42.3 If, after the County has given notice of termination under the provisions of this sub-paragraph 8.43, it is determined by the County that the Contractor was not in default under the provisions of this sub-paragraph 8.43, or that the default was excusable under the provisions of sub-paragraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to sub-paragraph 8.42 - Termination for Convenience.

8.42.4 The rights and remedies of the County provided in this sub-paragraph 8.43 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

8.43 TERMINATION FOR IMPROPER CONSIDERATION

Intentionally Omitted

8.44 TERMINATION FOR INSOLVENCY

Intentionally Omitted

8.45 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

Intentionally Omitted

8.46 TERMINATION FOR NON-APPROPRIATION OF FUNDS

Intentionally Omitted

8.47 VALIDITY

If any provision of this Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

8.48 WAIVER

No waiver by the County of any breach of any provision of this Agreement shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this subparagraph 8.49 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

8.49 WARRANTY AGAINST CONTINGENT FEES

Intentionally Omitted

8.50 WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Intentionally Omitted

8.51 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Intentionally Omitted

9.0 UNIQUE TERMS AND CONDITIONS

9.1 CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA) AND THE HEALTH INFORMATION TECHNOLOGY FOR ECONOMIC AND CLINICAL HEALTH ACT (HITECH)

The County is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Under this Agreement, the Contractor provides services to the County and the Contractor receives, has access to, and/or creates Protected Health Information as defined in Exhibit K in order to provide those services. The County and the Contractor therefore agree to the terms of Exhibit K, Contractor's Obligations As a "Business Associate" Under Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH) (Business Associate Agreement).

9.2 NO REQUIREMENT TO TRANSPORT TO COUNTY FACILITIES

Nothing in this Agreement shall be interpreted to require or otherwise encourage contractors to transport patients to any County facility. Contractor shall comply with Exhibit B1, Reference No. 502, Patient Destination, of the EMS Agency's Prehospital Care Manual.

IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR: (_____ Name _____)

By _____
Name

Title

COUNTY OF LOS ANGELES

By _____
Mitchell H. Katz, M.D.
Director

APPROVED AS TO FORM
BY THE OFFICE OF THE
COUNTY COUNSEL